Exhibit BB

Freddie Mac
We make home possible℠

Cost of Freddie Mac's Affordable Housing Mission

Business and Risk Committee
Board of Directors
June 4, 2009

Confidential

Summary

- Our affordable housing requirements have increased substantially throughout the years.
  - Our housing goals compliance required little direct subsidy prior to 2003, but since then subsidies have averaged $200 million a year.
- Goal-qualifying loans comprise a large share of the conventional, conforming single-family market.
  - Only a small share of our purchases are undertaken specifically because they contribute to the goals (termed 'targeted affordable').
- Higher credit risk mortgages disproportionately tend to be goal-qualifying.
  - Targeted affordable lending generally requires 'accepting' substantially higher credit risk.
  - Our models are equally good at rank ordering the credit risk of non-goal-qualifying, baseline affordable and targeted affordable loans.
  - We charge more for targeted (and baseline) affordable single-family loans, but not enough to fully offset their higher incremental risk.
- The actual performance of goal-qualifying single-family loans has been mixed up to this point. It is still early in the process for the realization of actual credit losses to definitively conclude.
  - Goal-qualifying single-family loans accounted for the disproportionate share of our 2008 realized losses that was predicted by our models.
  - The Multifamily and Investments business lines contribute little to the costs of Mission.

Our affordable housing requirements have increased substantially throughout the years

- Numerical affordable housing goals first came into force in 1996. Since that time the GSEs have operated under increasing goal responsibilities, and Freddie Mac has met these responsibilities in all but two years.
  - In 2007 Freddie Mac failed two subgoals, but compliance was subsequently deemed infeasible by the regulator due to market conditions.
  - In 2008 Freddie Mac failed six goals and subgoals, five of which were deemed infeasible. No enforcement action was taken regarding the sixth missed goal because of our financial condition.
- More generally, the Charter requires us to serve low and moderate income families through activities "involving a reasonable economic return that may be less than the return earned on other activities" (Federal Home Loan Mortgage Corporation Act).

1996 - 2000	2001 - 2004	2005 - 2008	2009	2010 -
				HOUSING FUND 4.2 bps of New Purchases
			HOUSING FUND 4.2 bps of New Purchases (waived because of financial condition of the enterprises)	**ENFORCEABLE DUTY TO SERVE UNDERSERVED** Manufactured Housing Affordable Housing Preservation Rural Others can be added
		HOUSING SUBGOALS Low/Moderate 45 - 47% Underserved 32 - 34% Special Affordable 17 - 18%	**PROPOSED HOUSING SUBGOALS** Low/Moderate 40% Underserved 30% Special Affordable 14%	**HOUSING GOALS** SF Low Income tbd% SF Low Income Area tbd% SF Very Low Income tbd% MF Very Low Income tbd% MF LIHTC tbd MF Small Properties tbd
HOUSING GOALS Low/Moderate 40 - 42% Underserved 21 - 24% Special Affordable 12 - 14% MF Special Affordable $988M	**HOUSING GOALS** Low/Moderate 50% Underserved 31% Special Affordable 20% MF Special Affordable $2.11B	**HOUSING GOALS** Low/Moderate 52 - 56% Underserved 37 - 39% Special Affordable 22 - 27% MF Special Affordable $3.92B	**PROPOSED HOUSING GOALS** Low/Moderate 51% Underserved 37% Special Affordable 23% MF Special Affordable $3.92B	

OTHER STATUTORY RESPONSIBILITIES: - Facilitate Use of Government Programs - Develop For-Profit and Non-Profit Relationships - Support Low Income/Minority Lending - Support Community Reinvestment Act of 1977 - Support First Time Homebuyers - Preservation of Assisted Affordable MF Properties (added 1996)

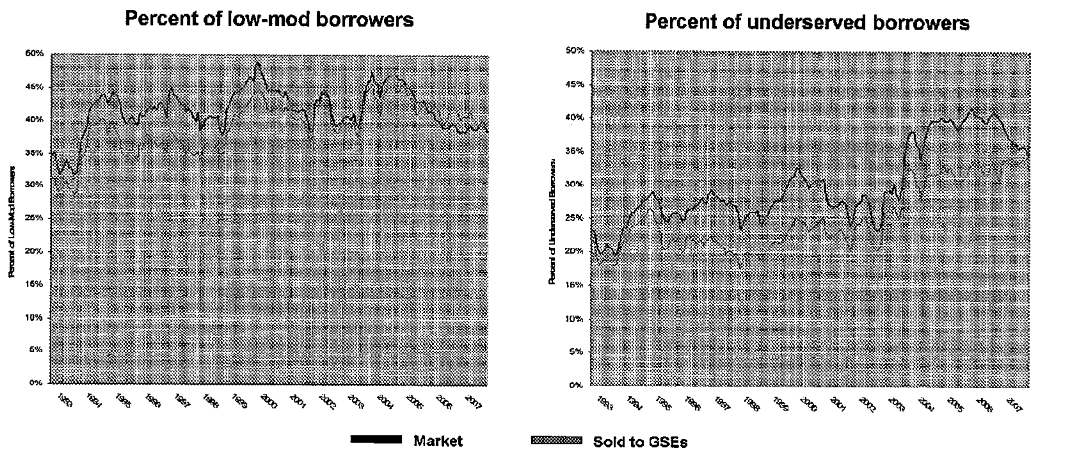
Our housing goals compliance required little direct subsidy prior to 2003, but since then subsidies have averaged $200 million a year

Cost of housing goals compliance	
Year	**Subsidy ($M)**
2003	222
2004	96
2005	85
2006	151
2007	499
2008	172

Note: These subsidy costs capture transactions performed for goals compliance that have ex ante present values below our cost of capital. Ex ante present values are nominal dollars, based on costing models at the time of the transactions, rather than constant dollars, based on a single costing model. Subsidies also include some opportunity costs for foregone dilutive investments.

- Until 2003, compliance with rising housing goals was achieved primarily through profitable expansion of the goals-rich, multifamily business.
- In 2003 and 2004, because of the single-family refinance boom, subsidized multifamily transactions were undertaken.
- Since then, rising goal targets and the newly introduced subgoals have continued the need for both single-family and multifamily subsidies.

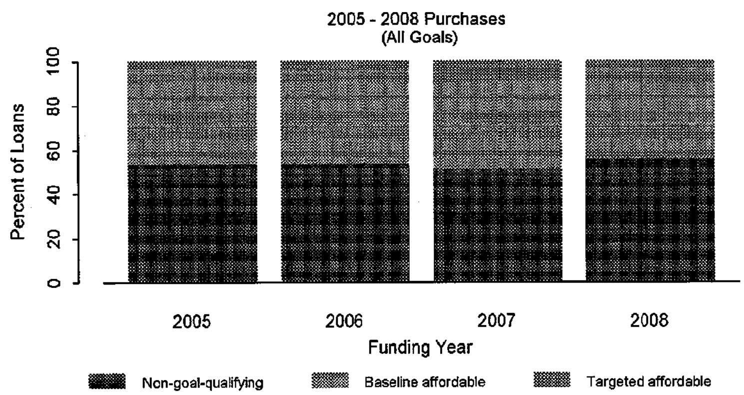
Goal-qualifying loans comprise a large share of the conventional, conforming single-family market



Notes: Based on HMDA Data that are restricted to owner-occupied, single family and manufactured housing, conventional, super conforming, purchase-money and refinance, first lien and second lien originations. Prime and Subprime are defined at the lender-level using the HUD definition. Subprime monthly hit rates are weighted by 50%. For income based goals, the super conforming qualifying rate is assumed to be zero. Market = Prime + ½ Subprime. The super conforming population consists of area specific conforming limits based on the National Association of Realtors Area Median House Price (Economy.com). The minimum (floor) area specific conforming limit is the national conforming limit. The adjusted limit is 1.15*NAR Area Median House Price (Economy.com), where the maximum (ceiling) must not exceed 1.5x the original conforming limit for the given year. Area specific conforming limits are not adjusted for Alaska and Hawaii.

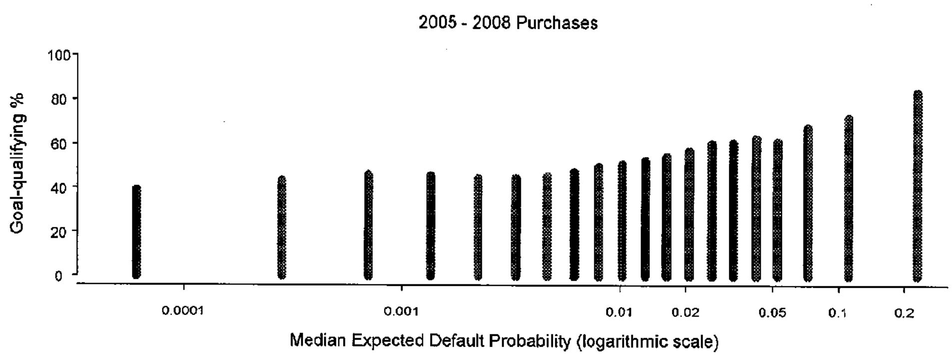
- GSE purchases of goal-qualifying loans closely follow the market, particularly for low-mod borrowers since 2002.
- Most goal-qualifying mortgages are purchased under standard terms of business (termed 'baseline affordable').

Only a small share of our purchases are undertaken specifically because they contribute to the goals (termed 'targeted affordable')



- Targeted affordable loans are those that we likely would not purchase in the absence of housing goals.
  - Targeted affordable loans typically use goal-qualification status as an explicit eligibility criterion.
  - The vast majority of our targeted affordable loans are single-family purchases.
  - Home Possible mortgages and Loan Prospector Dials (lower 'accept' threshold for goal-qualifying loans) are primary examples of targeted affordable purchases.

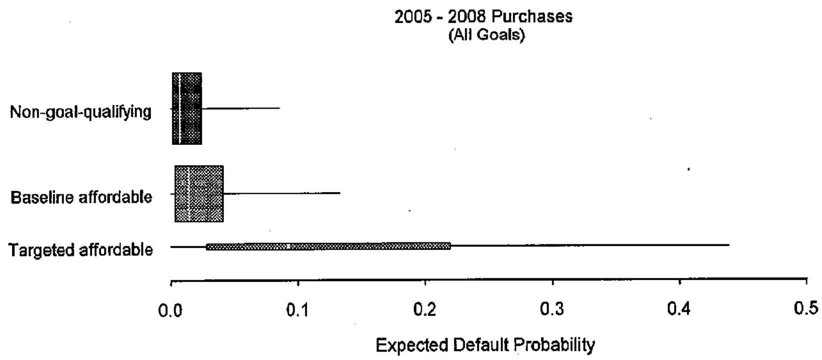
Higher credit risk mortgages disproportionately tend to be goal-qualifying



Note: Each bar represents one-twentieth of the total 2005-2008 purchases (a twentile), ordered by increasing expected default risk (the horizontal axis). The height of each bar represents the percent of loans that qualify for one or more goals or subgoals (the vertical axis).

- Goal-qualifying loans tend to be higher risk.
  - Housing goals and subgoals target lower-income borrowers and areas.
  - Lower household income correlates with various risk factors such as less wealth, less employment stability, higher loan-to-value ratios, or lower credit scores.
  - Lower income areas may exhibit greater house price volatility.

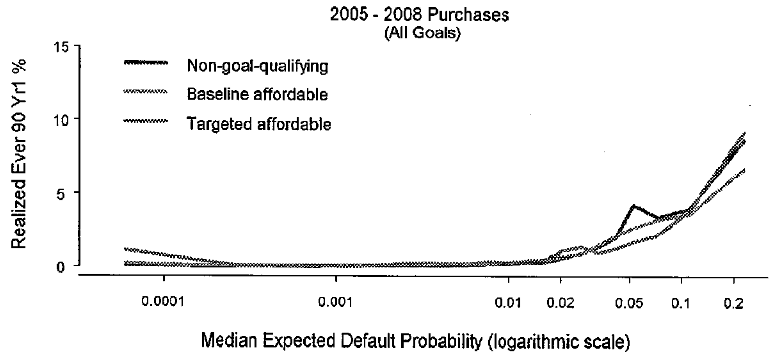
Targeted affordable lending generally requires 'accepting' substantially higher credit risk



Note: The box represents the middle 50% of the observations, the median is marked by the white line in the box, and the lines extend to the 5th (on the left) and 95th (on the right) percentiles. The height of the box is proportionate to the overall share for that group.

- Targeted affordable loans have much higher expected default probabilities.
  - The median targeted affordable expected default probability is significantly higher and the high-risk 'tail' is considerably longer, implying higher risk and uncertainty for this type of lending.
  - 75% of targeted affordable loans have equal or higher expected default probabilities than the highest 25% of non-goal-qualifying loans.
  - Over one-half of targeted affordable loans have higher expected default probabilities than the highest 5% of non-goal-qualifying loans.
- Baseline affordable loans have only somewhat higher expected default probability.

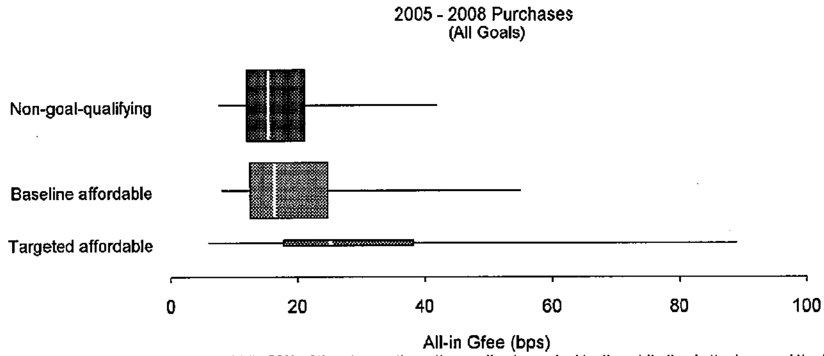
Our models are equally good at rank ordering the credit risk of non-goal-qualifying, baseline affordable and targeted affordable loans



Note: Before separating into groups, data are bucketed into twentiles by expected default probability. 'Ever 90 Yr 1' is the incidence of 90-day delinquency during the first 12 months following funding. Performance is measured by loan count not UPB exposure.

- At any level of expected default probability, realized performance is similar for non-goal-qualifying, baseline affordable and targeted affordable single-family loans.
- Other measures of realized performance yield equivalent results.

We charge more for targeted (and baseline) affordable SF loans, but not enough to fully offset their higher incremental risk



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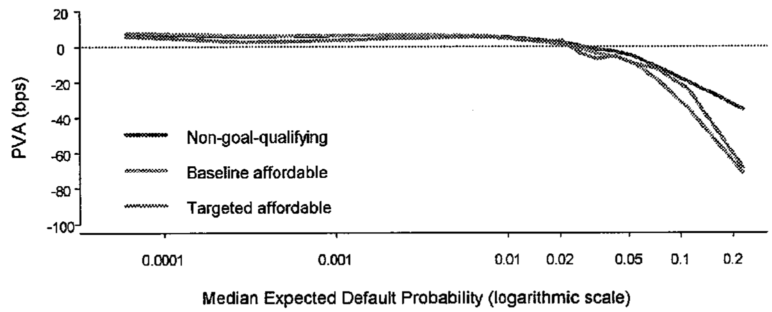

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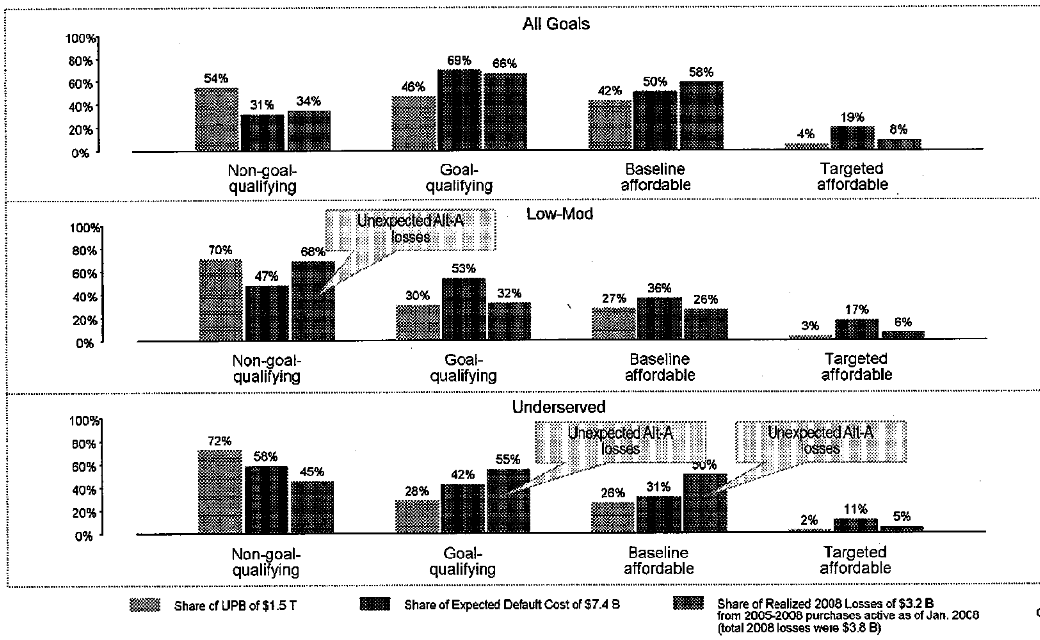
Actual and Expected Losses

2005 - 2008 Purchases (All Goals)					
	Share of Purchase UPB	Default Probability		Default Costs	
		Expected Default Probability (bps)	Realized Ever90 Yr1 (bps)	Expected Default Cost (bps)	2008 Realized Credit Losses (bps)
Performance:					
Non-goal-qualifying	54%	213	90	8	20
Goal-qualifying:	46%	451	162	21 19	44
Baseline affordable	42%	336	126	16	44
Targeted affordable	4%	1,408	453	62	49
Multipliers:					
Goal-qualifying v. non-goal-qualifying		2.1	1.8	2.7 2.4	2.2
Baseline v. non-goal-qualifying		1.6	1.4	2.0	2.2
Targeted v. non-goal-qualifying		6.6	5.0	7.9 7.75	2.5

Corrected 5/29/2009
Old figures are underlined

Goal-qualifying SF loans accounted for the disproportionate share of our 2008 realized losses that was predicted by our models

- Goal-qualifying single-family loans (all goals) contributed a disproportionate share to our realized losses in 2008 (compare green to red bars), but that was as expected (compare purple to red bars).
- Actual performance was better than expected for targeted affordable loans, primarily because the unexpectedly poor performance of our Alt-A purchases mostly affected non-goal-qualifying and baseline affordable loans.



The Multifamily and Investments business lines contribute little to the costs of Mission

- **Multifamily:** The housing goals cause the multifamily business to seek greater purchase volume at lower prices than would maximize profit. However, the pricing discount is less than the funding and scale advantages created by the Charter and housing goals. Consequently, management believes there is no net economic cost due to the affordable housing mission.
- **Investments:** Housing goals affect the type and volume of non-agency MBS purchased by Investments. Because Freddie Mac sought specially-designed ABS with exceptional goal-qualifying collateral, managing to housing goals caused us to forgo certain subprime ABS purchases. This ex ante opportunity cost was included in the historical subsidies. The purchase of agency MBS is neutral from a goals perspective because goals eligibility is determined at MBS origination, not MBS purchase.

Assumptions Related to Post-Conservatorship Changes in Business

Draft for Discussion Purpose Only

Assumptions Related to Post-Conservatorship Changes in Business

Costs incurred / opportunities lost:

Single-Family				
HARP/HAMP Servicer and Borrower Incentives	**Servicer Incentives:** $1,000 per modification Additional $500 for imminent default modification Ongoing Performance Payment of $1,000 per modification for 3 years **Borrower Incentives:** Ongoing Performance Payment of $1,000 for 5 years			($1) to ($2) billion of potential costs (pre-tax) over next 5 years depending on the success of the initiative. [1]
Market Condition Fee	Upon entering conservatorship, we eliminated plans to increase our market condition fee by 25 bps. This fee would have applied to all Single-Family flow volume.	($100) million cost	($250) million cost	Pre-tax upfront cash foregone in 2009: ($1.25) to ($1.75) billion
HARP/HAMP Program Lost Revenue	At the introduction of the relief refi program Freddie Mac chose to waive certain risk-based fees in an effort to pass along further savings to the borrower.			2009 Expected Lost Revenue: ($1.25) to ($1.75) billion 2010 Expected Lost Revenue: ($1.5) to ($2.0) billion Total: ($2.75) to ($3.75) billion * These are not amortized annual totals.
HARP/HAMP Program Expected Loss Reduction	The ability to refinance high LTV loans reduces expected defaults as more homeowners are able to avoid default. This is partially offset by higher losses per default as a result of higher closing costs being rolled into the refinanced mortgage.			Lifetime loss reduction: $0.5 to $2.5 billion *Not present valued
Investment				
Impact to NIM	Conservatorship changed our Retained Portfolio business focus from selling assets to preserve capital to buying mortgage backed securities to support the market. We earned an initial spread of almost 3% on Retained Purchases since conservatorship. Estimate assumes our portfolio UPB would be $720 billion if we were not in conservatorship.	$557 million benefit	$903 million benefit	$4 billion benefit
Corporate G&A				
Incremental and Re-directed G&A Expenses	Internal staff, external staff, and other administrative expenses directly related to the support of FHFA directives and the MHA program.		($1.8) million cost	($75) million potential cost impact of MHA, MHA-Compliance

Other changes that may have occurred as a result of Conservatorship that may have positive or negative impacts:

Single-Family	
HARP/HAMP Program	Impact of program may limit overall house price declines thus stabilizing credit costs.
Loans Purchased Out of Pools	When loans are modified, they are removed from pools and recorded at fair value which results in a loss. Under FAS140 / FIN46(R), we will no longer have losses on loans purchased out of pools. The losses will be provisioned in FAS 5 LLR process. It is unclear what the incremental modification volume is as a direct result of the Government Program, given the company was already modifying loans.
Foreclosure Moratorium	The foreclosure moratorium delayed the eventual sale of REO properties into a future market that may or may not deteriorate from current levels.
Investment	
Cost of Inability to Reclassify Assets from AFS to HTM	AFS securities are subject to mark to market value fluctuations. Significant volatility in these market prices has resulted in Treasury draws, which may or may not be offset by later market developments.

(1) Assumes 230,000 to 270,000 loan modifications over 5 years.